rates, permitting tax benefits on deposits etc., and (VI) compensating customers for delay in collection of cheques, payment by mail transfer, telegraphic transfer, etc.

RBI have already issued necessary instructions for implementaion of the recommendations so far accepted. It is felt that the customer service will improve further in the public sector banks with the implementation of these recommendations.

Recognition to the National Stock Exchange

1645. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Govt. have granted recognition to the National Stock Exchange of India;

(b) if so, the period for which the recognition has been granted; and

(c) what are the details of the working of the National Stock Exchange?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Yes Sir, the Central Government has granted recognition to the National Stock Exchange of India Limited under Section 4 of the Securities Contracts (Regulation) Act, 1956, for a period of five years commencing on 26th April; 1993 and and ending with the 25th April; 1998

(c) This Stock Exchange is expected to operate as a 'Model' Stock Exchange with the following main features:

(i) There will be no upper limit on trading membership.

(ii) Persons located anywhere in India will be eligible to apply for trading membership.

(iii) It would have two trading segments, one dealing with whole sale debt instruments and the other with capital market instruments.

(iv) The trading system would be automated and screen based.

(v) There will be no trading floor.

Safety net proposal mooted by SEBI

1646. SHRI ANANT RAM JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that UTI is in the practice of negotiatng with companies, whose public offer of share are unedr-subscribed, to purchase their equity shares below price which offered to the public|investors;

(b) whether it is also a fact that UTI did so in the matter of 1992 public issue of Nagarjuna Fertilisers and Chemicals Ltd. invested over 50 crores in this company;

(c) whether it is also a fact that in order to prevent this kind of malpractice and to safeguard the interest of ordinary investors, Securities and Exchange Board of India (SEBI) mooted a proposal of Safety-net;

(d) if so, what are the details thereof and what is the reaction of Government to the same; and

(e) by when will the above said proposal be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) No, Sir. Unit Trust of India (UTI) does not negotiate with issuing companies for purchase of equity shares. UTI makes investment in public|rights issues of companies at market price and on negotiated offers from lead managers/intermediaries or merchant bankers managing the issue only when they approach UTI.

(b) Unit Trust of India (UTI) invested in the public issue of Nagarjuna Fertilisers when the lead managers to the issue approached UTI with an investment offer of Rs. 55 crores. UTI invested the money on commercial considerations in the interest of unit holders.

(c) No, Sir. Securities and Exchange Board of India (SEBI) has not specifically mooted a proposal of "Safety-net". However, SEBI has approved schemes of partial safety nets mooted voluntarily by lead managers in the case of two recent public issues.

(d) and (e) Since no proposal from SEBI is pending with the Government on the subject, the quetion does not arise. Under the partial safety net, an invitation is offered to successful allottees who seek to disinvest their shares at a price representing the paid up value of shares. The offer is limited to 15 to 20 per cent of the public issue size and is valid for six months from date of allotment. The safety net is available to individual investors only.

Capital raised by ICICI

1647. SHRI MENTAY PADMANABHAM: Will the Minister of FINANCE be pleased to state:

(a) what is the total capital raised by ICICI from the open market, both in India and abroad during the last five years;

(b) what is the interest servicing incumbent on ICICI on these loans and the outgo of foreign exchange;

(c) whether a policy decision has been taken by ICICI not to finance long term industrial loans in India; and

(d) if so, what are the details of such a policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) The Industrial Credit and Investment Corporation of India Ltd. (ICICI) has reported that the total capital raised by it during the 5 years period April 1987 to March 1992 was as follows:

	(Rs. crores)
Equity	199·20
Rupee Borrowings	399.67
Foreign Currsency Borrowings	2905.13

(b) The interest and commitment charges on ICICI borrowings for the past five years have been as follows:

(Rs. crore)

	Rupee	Foreign Currency
1987-88	207.51	100.09
1988-99	224.69	106.02
1989-90	287.42	154.25
1990-91	378.75	201.26
1991-92	506.93	271.93

(c) No, Sir.

(d) Does not arise.

Fall in rate of inflation

1648. SHRI SUSHIL KUMAR SAMBHAJI RAO SHINDE:
SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether the rate of inflation continued to fall, week to week, during April 1993;

(b) if so, the rate of inflation registered at each weekend; and